



**Commonwealth of Massachusetts  
Health Care Quality and Cost Council  
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**JUDYANN BIGBY, M.D.**  
Chair

**TIMOTHY P. MURRAY**  
Lieutenant Governor

**KATHARINE LONDON**  
Executive Director

**Health Care Quality and Cost Council**

**Meeting Minutes**

**Wednesday, February 20, 2008**

**1:00-3:00 p.m.**

**One Ashburton Place**

**21<sup>st</sup> Floor, Room 1**

**Boston, MA**

**Council Members Present:** JudyAnn Bigby (Chair), Kevin Beagan, Elizabeth Capstick, James Conway, Joseph Lawler, Thomas Lee, Shannon Linde, Katharine London, Dolores Mitchell, Robert Seifert, Greg Sullivan and Quentin Palfrey representing David Friedman.

*Meeting called to order at 1:10pm*

Note: in the interest of time, the Council took some agenda items out of order. The minutes reflect the actual order of discussion.

**I. Approval Of Minutes of Council Meeting February 6, 2008**

The Council approved the minutes of its February 6, 2008 meeting.

**II. Executive Director's Report**

Vendor Contracts: Katharine London stated that the Review Team spent much of the last few weeks reviewing proposals for the three remaining vendor contracts: Analytical Consulting, Operations and Web Application Development. Katharine expressed concern about the procurement process and stated that the process has been difficult.

Analytical Consulting: The Council received 2 proposals, one from MassPRO and another from MHQP. Each of the proposals submitted was for a broader scope project than what was anticipated by the Council. Also, each bidder proposed a price of just over \$1 million for the 28 month contract which is more than double of what the Council had budgeted for the contract. The review team was concerned about the proposals submitted especially given the time spent reviewing the details of the contract during the open meetings, the bidders conference and through the Q&A document that was distributed to interested parties.

Katharine stated that the review team met with the Analytical Consulting bidders on Friday 2/15 to figure out the source of the disconnect. The review team learned that each of the bidders interpreted several of the requirements differently than what the Council had intended. While there was some overlap, in a number of areas the two bidders did not have the same interpretation. In general, the team discovered that the misunderstanding was related to the long-term scope of work related to calculating measures using the Council's claims dataset.

Given the work plan and the price proposals submitted, Katharine London proposed that the Council focus more time, attention, and available FY08 funding on getting the website up, using the quality information that is already available, and holding off for a couple of months on the longer-term plans.

Recommendations made by Katharine London:

1) Analytical Consultant – The Council should immediately hire an expert to assist with the limited scope of work related to properly displaying and providing information about existing, available quality measures for the website, and identifying related cost measures. Under c.30B procurement rules, the Council can procure contracts up to \$25,000 using a more expedited process. \$25,000 would buy the Council an expert half-time for 12 weeks, which should be sufficient time for this limited scope.

2) Operations – The Council should execute a limited scope ISA (interagency service agreement) with the Division of Health Care Finance and Policy to begin immediately aggregating existing, available, quality measures into a dataset to support the web application. This initial ISA would certainly be under \$50,000.

Once this ISA and an Analytical consultant is in place, the Council could work with the two vendors to scope out the programming work required to calculate cost measures to display alongside the Council's initial quality measures. At that time, the Council would extend the ISA with DHCFP or procure another vendor to calculate these cost measures.

3) Web Application Development – The Council should put whatever funding is required during FY2008 to get this website launched successfully. The Review Team anticipates that the funding requirements for expanding and maintaining the website in FY09 will be lower than budgeted, so the Council may be able to redirect some of the budgeted funds to analysis.

4) Revisit Analytic Consulting – Once the Council gets through the work requirement for the initial launch, we will need to put significant time and effort into procuring an Analytical Consulting for the longer-term work. We will need to make a number of revisions to the RFP requirements based on the feedback we received from the two bidders. We will also need to have a more focused review with the Technical Advisory group, and seek advice from others in the field.

The Council reviewed Katharine's recommendations and discussed the advantageous and disadvantageous of deviating from the Council's original plan. Several Councilors stated that it was essential that the Council's website include both quality and cost information at the initial launch, and that the Council needed a specific plan for posting data. The Council also discussed the possibility of procuring a consultant to help revise the RFP for Analytic Consulting services.

JudyAnn Bigby recommended that the Governance Committee meet to discuss the budget implications of the outcomes of these RFPs.

### III. Items for Discussion

#### A. Review of recommendation and Approval to contract with Web Application Development vendor (vote)

Katharine London described the Web Application RFP review process and presented to the Council each vendor's strengths and weaknesses with respects to the RFP requirements. Katharine recommended Medullan as the Council's Web Development vendor. Medullan obtained the highest scores in all technical areas of the RFP, committed to the shortest timeline, and provided considerable technical assistance and flexibility to the Council, but bid the highest initial price. Medullan is currently a subcontractor to the Council's Communications and Web Design vendor, and is very familiar with the project. The second bidder, xWave offered a lower initial price, but much less flexibility, which could result in higher costs to the Council through change orders. Xwave also required a much longer timeline. The review team did not feel that the third bidder, CS&O, could produce the quality of work the Council was seeking.

The Council discussed each vendor's strengths and weaknesses. The Council unanimously approved the staff recommendation to contract with Medullan as the Council's Web Development vendor.

### IV. Presentation on state and federal privacy requirements

#### Linda Palmateer & Cynthia Young, EOHHS

Linda Palmateer gave a presentation on the *Massachusetts Fair Information Practice Act (FIPA)*, a state law that: 1) Ensures that certain types of personal data collected and held by the state government remain private and are only disclosed in accord with applicable law, 2) Extends to individuals certain rights over state- held data pertaining them, and 3) authorizes certain agencies to issue related regulations.

Linda reviewed FIPA's key concepts and focused on the Council's legal obligations related to federal and state privacy rules. FIPA and HIPPA regulations will become more and more important to the Council as the Council obtains an analysis-ready dataset.

The full presentation is available on the Council's Website [www.mass.gov/healthcare](http://www.mass.gov/healthcare)

### V. Presentation Determination of Need

#### Paul Dreyer, DPH

Paul Dreyer gave a presentation on the *Determination of Need Program (DoN)* program, established in 1971 to encourage equitable geographic and socioeconomic access to health care services, help maintain standards of quality, and constrain overall health care costs by eliminating duplication of expensive technologies, facilities and services.

The Presentation was a part of the Councils overall series on cost containment strategies. One potential method for limiting the growth in health care costs is to limit through regulation health care facilities' ability to build new facilities and offer new technologies.

Paul Dreyer gave a historical overview of the factors that motivated the law and reviewed DoN's evolution and impact on health services overtime. Paul also discussed DoN's scope of jurisdiction, its effectiveness in today's society and its proposed goals moving forward. The academic literature documents somewhat mixed results in terms of DoN programs' effect on health care quality and cost.

The full presentation is available on the Council's Website [www.mass.gov/healthcare](http://www.mass.gov/healthcare)

## **VII. Items for Discussion (continued)**

### **A. Review and Approval of the Council's Annual Report to the Legislature (vote)**

The Council reviewed and discussed the draft Annual Report and agreed to hold on the approval and vote of the document presented. Greg Sullivan requested that the recommendations be amended to better reflect the Council's statutory responsibility with respect to performance measurement benchmarks. Beth Capstick requested more detail about the Council's activities to date.

Council members agree that more time should be designated to reviewing the document before it is approved by the Council for submission to the Legislature. Members discussed some of the initial ideas that were proposed with respect to the report's content and goal. Katharine London will circulate a copy of the draft Annual Report to members of the Council for review and feedback.

### **B. Update on Claims Data Submissions** **Suanne Singer, Maine Health Information Center**

Suanne Singer reviewed the status of health insurance carriers' submissions of Medical and Pharmacy claims. Singer reported that she expected BCBSMA to be approved for submission of medical claims in the next few days, which would bring the total approved claims to 70% of the total. She expected that 70-80% of claims would be in-house and available for analysis in March.

Singer's also reviewed the process for notifying Carriers who have not complied with the Council's claims submission requirement. She stated that MHIC will proceed to notify Carriers who have failed to provide eligibility and claims data required by the Council. Singer expressed specific concerns about Aetna Life's medical claims, Midwest and MEGA's pharmacy claims, and all three files from Nationwide. MHIC will email carriers to notify them that MHIC will initiate the compliance process unless there is significant activity quickly.

*Meeting Adjourned 3:13pm*